Opportunity Party Land Value Tax – Key Risks

August 2026 | Summary for decision-makers

The proposal

1.75% annual tax on urban land value + 0.5% on rural land, intended to fund a Citizen's Income. Applies to all land including the family home. No income or cash-flow test.

Concrete annual costs (at 1.75%)

- $800,000 land value → **$14,000 per year**
- $1,000,000 land value → **$17,500 per year**
- Typical Auckland land (~$750,000) → roughly **$13,000+** per year

These amounts are in addition to existing council rates and insurance.

Cash-flow problem

The tax is payable every year regardless of the owner's income, employment status, or ability to pay. Tax expert Troy Bowker (Caniwi Capital): "This has got no reference at all to your liquidity or your cash."

Deferral is not relief

Retirees and "land-rich, cash-poor" owners can defer payment. The liability accumulates and is recovered on sale or death — effectively a government reverse mortgage against the property. Example: a 70-year-old deferring on a $1m property until age 90 can leave an estate charge in the order of $350,000.

Price and economic effects

Opportunity itself projects a 10–15% drop in property prices. Bowker warns the policy risks collapsing prices further and creating severe pressure on farmers (even at the lower rural rate), calling the overall package a "significant and high risk policy experiment" that could damage New Zealand's productive economy.

Intergenerational impact

Current owners face ongoing cash pressure or a growing charge against their estate. New buyers who manage to enter the market still face the same annual tax. The policy extracts from both existing owners and future owners.

Sources: Opportunity Party Tax Reset documents; Troy Bowker commentary (The Platform / Good Oil, August 2026).